GOVERNMENT SUPPLEMENT TO SPARTON GENERAL PROVISIONS FOR SUBCONTRACTS AND PURCHASE ORDERS

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If this Order shows on its face that it is placed in support of a U.S. Government funded prime contract or subcontract, or if the Buyer otherwise notifies the Seller that this Order is placed under a U.S. Government prime contract or subcontract, the following clauses of the Federal Acquisition Regulations (FAR), and the Department of Defense Federal Acquisition Regulation Supplement (DFARS) apply and are incorporated herein by reference with the same force and effect as if set forth below in full text. These clauses apply to all firm-fixed price (FP), cost reimbursable (CR), and time & material/labor hour (TMLH) purchase Orders, as appropriate. Full text versions of these clauses are available from the U.S. Government in searchable form on the World Wide Web (WWW) portion of the Internet. The reference sites are: (1) For the FAR - http://www.acquisition.gov/far/; and (2) For the DFARS - http://www.acq.osd.mil/dpap/dars/dfarspgi/current/index.html.

SECTION I: GENERAL PROVISIONS

1. CONVICT LABOR. In connection with the performance of work under this Order, Seller agrees not to employ any persons undergoing sentence of imprisonment at hard labor.

2. DEFINITIONS. For purposes of this Order, and unless otherwise indicated, the following terms have the meanings as set forth below:
   a) FAR – Federal Acquisition Regulation,
   b) DFARS – Department of Defense (DOD) FAR Supplement.

3. DRAWINGS. Buyer and the Government retain all rights in designs, drawings, specifications, and other data or papers furnished Seller in connection with this Order. To the extent directed by Buyer, upon completion of the work, Seller shall promptly return to Buyer all designs, drawings, specifications, and other data or papers furnished by Buyer, together with all copies or reprints then in Seller’s possession or control, and Seller shall thereafter make no further use either directly or indirectly of any thereof, or any information derived therefrom, without Buyer’s prior written consent. When applicable, supplier will manufacture per customer part-drawing number and revision letter. Placement of this Purchase Order obligates your company to comply with the requirements of process specifications when called out in drawing notes.

4. EXPORT CONTROL
   a) Export of information contained herein, which includes release to foreign nationals within the United States, without first obtaining approval or license from the Department of State for items controlled by the International Traffic in Arms Regulations (ITARS), or the Department of Commerce for items controlled by the Export Administration Regulations (EAR), may constitute a violation of law.
   b) For violation of export laws, the contractor, its employees, officials or agents are subject to:
      i) Imprisonment and/or imposition of criminal fines; and
      ii) Suspension or debarment from future government contracting actions.
   c) The Government shall not be liable for any use or misuse of the information, technical data or specifications in this contract. It shall not be liable for any patent infringement or contributory patent infringement. The Government neither warrants the
adequacy nor the completeness of the information, technical data, or specifications in this contract.

d) Seller shall immediately notify the Buyer if Seller is listed in any Denied Parties List or if Seller’s export privileges are otherwise denied, suspended, or revoked in whole or in part, by any U.S. Government entity or agency.

5. NOTICE TO THE GOVERNMENT OF LABOR DISPUTES.

a) Whenever Seller has knowledge that any actual or potential labor dispute is delaying or threatens to delay the timely performance of this contract, Seller shall give notice immediately thereof, including all relevant information with respect thereto, to Buyer.

b) Seller agrees to insert the substance of this clause, including this paragraph (b), in any subcontract hereunder as to which a labor dispute may delay the timely performance of this contract; except that each such subcontract shall provide that in the event its timely performance is delayed or threatened by delay by any actual or potential labor dispute, the subcontractor shall immediately notify his next higher tier subcontractor, or Buyer, as the case may be, of all relevant information with respect to such dispute.

6. PRIORITY RATING. If so identified, this is a DO or a DX “rated Order” certified for national defense use under the Defense Priorities and Allocations System (DPAS) (15 CFR 700), and the Seller shall comply with all provisions of the Defense Priorities and Allocations System Regulations (15 CFR 700).

7. TITLE AND RISK LOSS.

a) Unless this contract specifically provides for earlier passage of title, title to supplies covered by this contract shall pass to Buyer upon formal acceptance, regardless of when or where Buyer takes physical possession. When the prime contract contains Progress Payments Clause, title shall vest in the Government in accordance with said clause.

b) Unless this contract specifically provides otherwise, risk of loss or damage to supplies covered by this contract shall remain with the Seller until and shall pass to Buyer upon:

i) Delivery of the supplies to a carrier, if transportation is F.O.B. origin;

ii) Acceptance by Buyer or delivery of possession of the supplies to Buyer at the destination specified in this contract, whichever is later, if transportation is F.O.B. destination.

iii) Notwithstanding i) above, the risk of loss of or damage to supplies that so fail to conform to the contract as to give a right of rejection shall remain with Seller until cure or acceptance, at which time i) above shall apply.

c) Notwithstanding b) above, Seller shall not be liable for loss of or damage to supplies caused by the negligence of officers, agents, or employees of Buyer acting within the scope of their employment.

8. TERMINATION FOR CONVENIENCE.

a) After receipt of a Notice of Termination and except as otherwise directed by Buyer, Seller shall:

i) Stop Work under the contract on the date and to the extent specified in the Notice of Termination;

ii) Place no further Orders or subcontracts for materials, services, or facilities except as may be necessary for completion of such portions of the work under the Contract as may not be terminated.

iii) Terminate all Orders and subcontracts to the extent that they relate to the performance of any work terminated by the Notice of Termination;

iv) Assign to Buyer, in the manner and to the extent directed by Buyer, all of the right, title, and interest of Seller under the Orders or subcontracts so terminated;

v) Settle all outstanding liabilities and all claims arising from such termination of Orders and subcontracts subject to the approval of ratification of Buyer to the extent he may require, which approval or ratification shall be final for all purposes of this clause;

vi) Transfer title and deliver in the manner, to the extent, and at the times directed by Buyer

(1) the fabricated or un-fabricated parts, work in process, completed work, supplies, and other material produced as a part of, of acquired in connection with the performance of, the work terminated by the Notice of Termination and

(2) the completed or partially completed plans, drawings, information, and other property that if the contract had been completed, would be furnished to Buyer.

vii) Use his best efforts to sell in the manner, to the extent, at the time, and at the price directed or authorized by Buyer, any property of the types referred to in vi) above; provided, however, that Seller

(1) shall not be required to extend credit to any purchaser, and

(2) may acquire any property under the conditions prescribed by and at a price or prices approved by Buyer; and provided further that the proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by Buyer to Seller under this contract or shall otherwise be credited to the price or cost of the work covered by this contract or paid in such other manner as Buyer may direct;

viii) Complete performance of such part of the work as shall not have been terminated by the Notice of Termination; and

ix) Take such action as may be necessary or as Buyer may direct for protection and preservation of the property related to this contract that is in the possession of Seller and in which Buyer may acquire interest.

b) After receipt of a Notice of Termination, Seller shall submit to Buyer his termination claim, in the form and with the certification prescribed by Buyer. Such claim shall be submitted promptly, but not later than three (3) months from the effective date of termination, unless one or more extensions in writing is granted by Buyer, upon request of Seller made in writing within such three month period or authorized extensions thereof. However, if Buyer determines that the facts justify such action, he may receive and act upon any such termination claim at any time after such three-month period or any extension thereof. Upon failure of Seller to submit his termination claim within the time allowed, Buyer may determine, on the basis of information available to him, the amount, if any, due to Seller in respect to the termination and such determination shall be final. After Buyer has made a determination under this paragraph, he shall pay Seller the amount so determined.

c) Subject to the provisions of paragraph a), Seller and Buyer may agree upon the whole or any part of the amount or amounts to be paid to Seller by reason of the total or partial termination of work pursuant to this clause, which amount or amounts may include a
reasonable allowance for profit on work done, and Buyer shall pay the agreed amount or amounts; provided, that such agreed amount or amounts, exclusive of settlement costs, shall not exceed the total contract price as reduced by the amount of payments otherwise made and as further reduced by the contract price of work not terminated. Nothing in paragraph d) below prescribing the amount to be paid to Seller in the event of the failure of Seller and Buyer to agree upon the whole amount to be paid to Seller by reason of the termination of work pursuant to this clause shall be deemed to limit, restrict, or otherwise determine or affect the amount or amounts that may be agreed upon to be paid to Seller pursuant to this paragraph c).

d) In the event of the failure of Seller and Buyer to agree as provided in paragraph c) upon the whole amount to be paid to Seller by reason of the termination of work pursuant to this clause, Buyer shall pay to Seller the amounts determined by Buyer as follows, but without duplication of any amounts agreed upon in accordance with paragraph c):

i) For completed supplies accepted by Buyer (or sold or acquired as provided in paragraph a)vii) above and not therefore paid for, forthwith a sum equivalent to the aggregate price for such supplies computed in accordance with the price or prices specified in the contract, appropriately adjusted for any saving of freight or other charges.

ii) The total of:

1. The cost of such work, including initial costs and preparatory expenses allocable thereto, exclusive of any costs attributable to supplies paid or to be paid for under d)i) above; and

2. The cost of settling and paying claims arising from the termination of work under subcontracts or Orders as provided in paragraph a)v) above, exclusive of the amounts paid or payable on account of supplies or materials delivered or services furnished by the subcontractor before the effective date of the Notice of Termination of work under this contract, which amount shall be included in the cost on account of which payment is made under (1) above; and

3. The sum, as profit on (1) above, determined by Buyer pursuant to 8-303 of the Defense Acquisition Regulation in effect as of the date of execution of this contract, to be fair and reasonable; provided, however, that if it appears that the Seller would have sustained a loss if the entire contract had been completed, no profit shall be included or allowed under this subdivision (3) and an appropriate adjustment shall be made reducing the amount of the settlement to reflect the indicated rate of loss; and

4. The reasonable cost of settlement, including accounting, legal, clerical, and other expenses reasonably necessary for the preparation of settlement claim and support data with respect to the terminated portion of the contract and for the termination and settlement of subcontracts thereunder, together with reasonable storage, transportation, and other costs incurred in connection with the protection or disposition of the property allocable to this contract.

The total sum to be paid to Seller under i) and ii) above shall not exceed the total contract price reduced by the amount of payments otherwise made and as further reduced by the contract price of work not terminated. Except for normal spoilage and except to the extent that Buyer shall have otherwise expressly assumed the risk of loss, there shall be excluded from the amounts payable to Seller under i) and ii) (1) above the fair value as determined by Buyer of property that is destroyed, lost, stolen, or damaged so as to become undeliverable to Buyer or to a purchaser pursuant to paragraph a)vii).

(a) The obligation of Buyer to make any payments under this clause shall be subject to deductions with respect to (i) all unliquidated advance or other payments on account theretofore made to Seller applicable to the terminated portion of this contract, (ii) and claim that Buyer may have against Seller, in connection with this contract, and (iii) the agreed price for, or the proceeds of sale of, any materials, supplies, or other things retained by Seller, or sold, and not otherwise recovered by or credited to Buyer.

(b) If the termination hereunder be partial, before the settlement of the terminated portion of this contract, Seller may file with Buyer a request in writing that an equitable adjustment be made in the price or prices specified in the contract for the work in connection with the continued portion not terminated by the Notice of Termination, and the appropriate equitable adjustment shall be made in such price or prices.

(c) Buyer may, at his option, from time to time under such terms and conditions as he may prescribe, make partial payments and payments on account against costs incurred by Seller in respect to the terminated portion of the contract whenever in the opinion of Buyer the aggregate of such payments shall be within the amount to which Seller will be entitled hereunder. If the total of such payments is in excess of the amount finally agreed upon or determined to be due under this clause, such excess shall be payable by Seller to Buyer upon demand, together with interest computed at the rate of a 6 percent per annum for the period from the date such excess payment is received by Seller to the date on which such excess payment attributable to a reduction in Seller’s claim by reason of retention or other disposition of termination inventory until ten days after the date of such retention or disposition, or such later date as determined by Buyer by reason of the circumstances.

(d) For the purposes of paragraphs (b) and (c) above, the amounts of the payments to be made by Buyer to Seller shall be determined in conformity with the policies and principles set forth in Section VIII of the Defense Acquisition Regulation in effect at the date of the contract. Unless otherwise provided in this contract, or by applicable statute, Seller, for a period of three years after final payment under the prime contract, shall make available to Buyer and the Government at all reasonable times at the office of Seller all his books, records, documents, or other evidence bearing on the costs and expenses of Seller under the contract and in respect of the termination of work hereunder or, to the extent approved by the Government, photographs,
9. WORK ON BUYER OR GOVERNMENT PREMISES. If Seller’s work under this Order involves operations by Seller on Buyer’s premises, Seller shall take all necessary precautions or such additional precautions as Buyer may prescribe to prevent the occurrence of any damage to person or property during the progress of such work and shall indemnify Buyer against all loss that may result in any way from an act or omission on the part of the Seller, its agents, employees, or subcontractors, except to the extent that such damage is due solely and directly to the negligence of Buyer, and Seller shall maintain such public liability, property damage, and employee's liability and compensation insurance as will protect Buyer from said risks and from any claim under any applicable workman’s compensation and occupational disease acts.
SECTION II: FAR AND DFARS FLOWDOWN PROVISIONS

The Federal Acquisition Regulation (FAR) and Defense Federal Acquisition Regulation Supplement (DFARS) clauses referenced below are incorporated herein by reference, with the same force and effect as if they were given in full text, and are applicable, including any notes following the clause citation, during the performance of this Contract. When a clause uses a word or term that is defined in the FAR or DFARS, the word or term shall have the same meaning as in the definition in FAR 2.101 or DFARS 202.101 in effect on the date of this Contract unless (i) a different definition is expressly set forth in this Contract; or (ii) the part, subpart, or section of the FAR or DFARS where the clause is prescribed provides a different meaning; or (iii) the word or term is defined in FAR Part 31, for use in the cost principles and procedures. If the date or substance of any of the clauses listed below is different than the date or substance of the clause actually incorporated in the Prime Contract referenced by number herein, the date or substance of the clause incorporated by said Prime Contract shall apply instead. If a corresponding FAR and DFARS clause are referenced, the DFARS clause shall take precedence.

A. GOVERNMENT SUBCONTRACT

This Contract is entered into by SPARTON and SELLER in support of a U.S. Government Contract.

As used in the clauses referenced below and otherwise in this Contract:

1. “Commercial Item” means a commercial item as defined in FAR 2.101 or DFARS 202.101.

2. “Contract” means this Contract.

3. “Contractor” means SELLER, acting as the immediate (first-tier) subcontractor to SPARTON.

4. “Prime Contract” means the contract between SPARTON and the U.S. Government or between SPARTON and its higher-tier contractor in support of a contract with the U.S. Government.

5. “Subcontract” means any contract placed by SELLER or lower-tier subcontractors under this Contract. In all clauses listed herein, the terms “Government,” “Contracting Officer” and “Contractor” shall be revised to suitably identify the contracting parties herein and affect the proper intent of the clause or provision except where further clarified or modified below. However, the words “Government” and “Contracting Officer” do not change when 1) a right, act, authorization or obligation can be granted or performed only by the Government or prime contractor; or 2) the Contractor is properly authorized representative and/or when title to property is to be transferred directly to the Government.

If any of the following clauses do not apply to this Subcontract/Purchase Order, as defined in the respective FAR or DFARS provision, such clauses are considered to be self-deleting.

B. AMENDMENTS REQUIRED BY PRIME CONTRACT

SELLER shall, at the request of SPARTON, accept amendments to this Contract to incorporate additional clauses and provisions herein or to change clauses and provisions hereof, as SPARTON may reasonably deem necessary in order to comply with the clauses and provisions of the applicable Prime Contract or with the clauses and provisions of amendments to such Prime Contract. If any such amendment to this Contract causes an increase or decrease in the price of, or the time required for, performance of any part of the Work under this Contract, an equitable adjustment shall be made pursuant to the “Contract Direction/Changes” clause of this Contract.

C. PRESERVATION OF THE GOVERNMENT’S RIGHTS

If SPARTON furnishes designs, drawings, special tooling, equipment, engineering data or other technical or proprietary information (Furnished Items) to which the U.S. Government owns or has the right to authorize the use of, nothing herein shall be construed to mean that SPARTON, acting on its own behalf, may modify or limit any rights the Government may have to authorize the SELLER’s use of such Furnished Items in support of other U.S. Government prime contracts.

D. FAR FLOWDOWN CLAUSES

In accordance with FAR 52.252-1 and 52.252-2, the following clauses and provisions are incorporated by reference and apply to this Contract as defined by the respective FAR clause or provision:

1. The following clauses apply to this Contract as defined by the respective FAR clause (for Commercial and Non-Commercial Items):

   52.203-15 WHISTLEBLOWER PROTECTIONS UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (JUN 2010)
   52.204-2 SECURITY REQUIREMENTS (AUG 1996)
   52.204-7 CENTRAL CONTRACTOR REGISTRATION (FEB 2012)
   52.204-9 PERSONAL IDENTITY VERIFICATION OF CONTRACTOR PERSONNEL (JAN 2011)
   52.204-11 AMERICAN RECOVERY AND REINVESTMENT ACT – REPORTING REQUIREMENTS (JUL 2010)
   52.209-10 PROHIBITION ON CONTRACTING WITH INVERTED DOMESTIC CORPORATIONS (MAY 2012)
   52.211-15 DEFENSE PRIORITY AND ALLOCATION REQUIREMENTS (APR 2008)
   52.215-20 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA (OCT 2010)
   52.215-21 REQUIREMENTS FOR COST OR PRICING DATA OR INFORMATION OTHER THAN COST OR PRICING DATA - MODIFICATIONS (OCT 2010)
   52.215-22 LIMITATIONS ON PASS-THROUGH CHARGES—IDENTIFICATION OF SUBCONTRACT EFFORT (OCT 2009)
   52.215-23 LIMITATIONS ON PASS-THROUGH CHARGES (OCT 2009)

   52.219-8 UTILIZATION OF SMALL BUSINESS CONCERNS (JAN 2011) (If this Contract, except contracts to small business concerns, exceeds $150,000 the Contractor must include this clause in all lower tier subcontracts that offer subcontracting opportunities.)
   52.222-1 NOTICE OF GOVERNMENT LABOR DISPUTES (FEB 1997)
   52.222-20 WALSH-HEALEY PUBLIC CONTRACTS ACT (OCT 2010)
52.222-21  PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)

52.222-26  EQUAL OPPORTUNITY (MAR 2007) (Only subparagraphs (c)(1)-(11) applies.)

52.222-41  SERVICE CONTRACT ACT OF 1965 (NOV 2007)

52.222-50  COMBATING TRAFFICKING IN PERSONS (FEB 2009)

52.222-54  EMPLOYMENT ELIGIBILITY VERIFICATION (JUL 2012)

52.223-6   DRUG-FREE WORKPLACE (MAY 2001)

52.223-11  OZONE-DEPLETING SUBSTANCES (MAY 2001)

52.223-18  ENCOURAGING CONTRACTOR POLICIES TO BAN TEXT MESSAGING WHILE DRIVING (AUG 2011)

52.223-7   NOTICE OF RADIOACTIVE MATERIALS (JAN 1997)

52.225-1   BUY AMERICAN ACT—SUPPLIES (FEB 2009)

52.225-5   TRADE AGREEMENTS (MAY 2012)

52.225-8   DUTY FREE ENTRY (OCT 2010)

52.225-13  RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUN 2008)

52.227-1   AUTHORIZATION AND CONSENT (DEC 2007)

52.232-32  PERFORMANCE BASED PAYMENTS (APR 2012)

52.232-40  PROVIDING ACCELERATED PAYMENTS TO SMALL BUSINESS SUBCONTRACTORS (DEC 2012)

52.244-6   SUBCONTRACTS FOR COMMERCIAL ITEMS (DEC 2010)

52.245-1   GOVERNMENT PROPERTY (APR 2012) (Applicable if Government property is furnished in the performance of this Contract. "Contracting Officer" means "SPARTON" except in the definition of Property Administrator and in paragraphs (h)(1)(iii) and where it is unchanged, and in paragraphs (c) and (h)(4) where it includes SPARTON. "Government" is unchanged in the phrases "Government property" and "Government furnished property" and where elsewhere used except in paragraph (d)(1) where it means "SPARTON" and except in paragraphs (d)(2) and (g) where the term includes SPARTON." The following is added as paragraph (n) ""SELLER" shall provide to SPARTON immediate notice of any disapproval, withdrawal of approval, or nonacceptance by the Government of SELLER’s property control system.")

52.245-9   USE AND CHARGES (APR 2012)

52.246-16  RESPONSIBILITY FOR SUPPLIES (APR 1984)

52.247-64  PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (FEB 2006)

2.  The following additional clauses apply to this Contract as defined by the respective FAR clause if the value of this Contract equals or exceeds $10,000 (for Commercial and Non-Commercial Items):

52.222-36  AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (OCT 2010)

3.  The following additional clauses apply to this Contract as defined by the respective FAR clause if the value of this Contract equals or exceeds $25,000 (for Commercial and Non-Commercial Items):

52.204-10  REPORTING EXECUTIVE COMPENSATION AND FIRST-TIER SUBCONTRACT AWARDS (FEB 2012) Note: SPARTON requires that all SELLERS register and annually update CCR.

4.  The following additional clauses apply to this Contract as defined by the respective FAR clause if the value of this Contract equals or exceeds $100,000 (for Commercial and Non-Commercial Items):

52.222-35  EQUAL OPPORTUNITY FOR VETERANS (SEP 2010)

5.  The following additional clauses apply to this Contract as defined by the respective FAR clause if the value of this Contract equals or exceeds $150,000 (for Commercial and Non-Commercial Items):

52.203-3   GRATUITIES (APR 1984)

52.203-12  LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (OCT 2010)

52.222-40  NOTIFICATION OF EMPLOYEE RIGHTS UNDER THE NATIONAL LABOR RELATIONS ACT (DEC 2010)

52.229-3   FEDERAL, STATE AND LOCAL TAXES (FEB 2013)

52.229-4   FEDERAL, STATE AND LOCAL TAXES (STATE AND LOCAL ADJUSTMENTS) (FEB 2013)

52.229-6   TAXES – FOREIGN FIXED PRICE CONTRACTS (FEB 2013)

52.229-7   TAXES – FIXED PRICE CONTRACTS WITH FOREIGN GOVERNMENTS (FEB 2013)

52.244-5   COMPETITION IN SUBCONTRACTING (DEC 1996)

6.  The following additional clauses apply to this Contract as defined by the respective FAR clause if the value of this Contract equals or exceeds $650,000 (for Commercial and Non-Commercial Items):

52.219-9   SMALL BUSINESS SUBCONTRACTING PLAN (JAN 2011). The SELLER’s subcontracting plan is incorporated herein by reference.)

52.219-16  LIQUIDATED DAMAGES – SUBCONTRACTING PLAN (JAN 1999) (Delete subparagraphs (d) and (e).)

7.  The following additional clauses apply to this Contract as defined by the respective FAR clause if the value of this Contract equals or exceeds $5,000,000 (for Commercial and Non-Commercial Items):

52.203-13  CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT (APR 2010)

8.  The following additional clauses apply to this Contract as defined by the respective FAR clause if the Contract is for a Non-Commercial Item:

52.208-8   REQUIRED SOURCES FOR HELIUM AND HELIUM USAGE DATA (APR 2002)

52.211-5   MATERIAL REQUIREMENTS (AUG 2000)

52.215-10  PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA (AUG 2011) (Rights and obligations under this clause shall survive completion of the Work and final payment under this Contract.)
52.215-11 PRICE REDUCTION FOR DEFECTIVE COST OR PRICING DATA - MODIFICATIONS (AUG 2011) (Rights and obligations under this clause shall survive completion of the work and final payment under this Contract.) Referenced in this Contract, Modified CAS Coverage applies. Delete paragraph (b) of the clause.

52.230-4 DISCLOSURE AND CONSISTENCY OF COST ACCOUNTING PRACTICES – FOREIGN CONCERNS (MAY 2012)

52.230-5 COST ACCOUNTING STANDARDS-EDUCATIONAL INSTITUTION (MAY 2012) (When referenced in this Contract, full CAS Coverage applies. Delete paragraph (b) of the clause.)

52.230-6 ADMINISTRATION OF COST ACCOUNTING STANDARDS (JUN 2010)

52.233-3 PROTEST AFTER AWARD (AUG 1996) (In the event SPARTON’ Customer has directed SPARTON to stop performance of the Work under the Prime Contract under which this Contract is issued pursuant to FAR 33.1, SPARTON may, by written order to SELLER, direct Contractor to stop performance of the Work called for by this Contract. In paragraph (f) add after “33.104(h)(1)” “and recovers those costs from SPARTON.” For the purposes of this clause, the first reference to “Government” shall mean Government.)

52.234-1 INDUSTRIAL RESOURCES DEVELOPED UNDER DEFENSE PRODUCTION ACT TITLE III (DEC 1994)

52.237-2 PROTECTION OF GOVERNMENT BUILDINGS, EQUIPMENT AND VEGETATION (APR 1984)

52.239-1 PRIVACY OR SECURITY SAFEGUARDS (AUG 1996)

52.242-15 STOP-WORK ORDER (AUG 1989)

52.243-6 CHANGE ORDER ACCOUNTING (APR 1984) (Applicable only if the Prime Contract requires Change Order Accounting.)

52.247-63 PREFERENCE FOR U.S.-FLAG AIR CARRIERS (JUN 2003) (Applicable if this Contract involves international air transportation.)

9. The following additional clauses apply to this Contract as defined by the respective FAR clause if the Contract equals or exceeds $100,000 and is for a Non-Commercial Item:

52.222-37 EMPLOYMENT REPORTS ON VETERANS (SEP 2010)

10. The following additional clauses apply to this Contract as defined by the respective FAR clause if the Contract equals or exceeds $150,000 and is for a Non-Commercial Item:

52.203-5 COVENANT AGAINST CONTINGENT FEES (APR 1984)

52.203-6 RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (SEP 2006)

52.203-7 ANTI-KICKBACK PROCEDURES (OCT 2010)

52.203-10 PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)

52.203-16 PREVENTING PERSONAL CONFLICTS OF INTEREST (DEC 2011)

52.204-5 WOMEN-OWNED BUSINESS OTHER THAN SMALL BUSINESS (MAY 1999)

52.215-14 INTEGRITY OF UNIT PRICES (OCT 2010) (Delete paragraph (b) of the clause.)

52.215-14
11. The following additional clauses apply to this Contract as defined by the respective FAR clause if the Contract equals or exceeds $700,000 and is for a Non-Commercial Item:

12. The following additional clauses apply to this Contract as defined by the respective FAR clause if the Contract equals or exceeds $10,000,000:

13. The following additional clauses apply to this Contract as defined by the respective FAR clause if the Contract is Fixed Price for Non-Commercial Items:

14. The following additional clauses apply to this Contract as defined by the respective FAR clause if the Contract is Cost Type or Time and Material for a Non-Commercial Item:

decision, which decision may be appealed by SELLER pursuant to the Disputes/Jury Waiver clause of this Contract.”
1. The following additional clauses apply to this Contract as defined by the respective FAR clause:

52.203-2 Certificate of Independent Price Determination (APR 1985)
52.203-11 Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions (SEP 2007).
52.209-2 Prohibition on Contracting with Inverted Domestic Corporations – Representation (MAY 2011)
52.225-20 Prohibition on Conducting Restricted Business Operations in Sudan – Certification (AUG 2009)
52.225-25 Prohibition on Contracting with Entities Engaging in Sanctioned Activities Relating to Iran – Representation and Certification (NOV 2011)

2. The following additional referenced clauses apply to this Contract as written:

   a) FAR 52.209-5 -- Certification Regarding Responsibility Matters (APR 2010) (1) The SELLER certifies, to the best of its knowledge and belief, that --

   (i) The SELLER and/or any of its Principals --

   (A) Are not presently debarred, suspended, or declared ineligible for the award of contracts by any Federal agency;

   (B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) contract or subcontract; violation of Federal or State antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating Federal criminal tax laws, or receiving stolen property;

   (C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision; and

   (D) Have not, within a three-year period preceding this offer, been notified of any delinquent Federal taxes in an amount that exceeds $3,000 for which the liability remains unsatisfied.

   (ii) The SELLER has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.

   b) FAR 52.209-6 Protecting the Government’s Interest When Subcontracting with Contractors Debarred, Suspended, or Proposed for Debarment (DEC 2010)

   i. Contractor certifies that, to the best of its knowledge and belief, that Contractor and/or any of its Principals, (as defined in FAR 52.209-6) are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency

   ii. Contractor shall provide immediate written notice to SPARTON if, any time prior to award of any Contract, it learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

   c) FAR 52.222-22 Previous Contracts and Compliance Reports (FEB 1999).

E. CERTIFICATIONS AND REPRESENTATIONS

This Subsection contains certifications and representations that are material representations of fact upon which SPARTON will rely in making awards to Contractor. By submitting its written offer, or providing oral offers/quotations at the request of SPARTON, or accepting any Contract, Contractor certifies to the representations and certifications as set forth below in this Subsection. These certifications and representations shall apply whenever these terms and conditions are incorporated by reference in any Contract, agreement, other contractual document or any quotation, request for quotation (oral or written), request for proposal or solicitation (oral or written), issued by SPARTON. Contractor shall immediately notify SPARTON of any change of status with regard to these certifications and representations.
Contractor represents that if Contractor has participated in a previous contract or subcontract subject to the Equal Opportunity clause (FAR 52.222-26) (i) Contractor has filed all required compliance reports and: (ii) that representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

d) FAR 52.222-25 Affirmative Action Compliance (APR 1984).

Contractor represents (1) that Contractor has developed and has on file at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 C.F.R. 60-1 and 60-2), or (2) that in the event such a program does not presently exist, Contractor will develop and place in operation such a written Affirmative Action Compliance Program within 120 days from the award of this Contract.

3. The following additional representations apply:

CONFLICT OF INTEREST

a) Seller acknowledges that FAR Subpart 9.5, Organizational and Consultant Conflicts of Interest, governs Work performed under this Agreement.

b) Seller represents and warrants that there are no actual, potential, or perceived conflicts of interest associated with its Work for SPARTON; that it will comply with all SPARTON policies and procedures related to Work with current United States Government employees; and that it is not prohibited by law or regulation from receiving compensation from SPARTON for delivering and/or performing Work under this Agreement.

Should any actual, potential, or perceived conflict of interest arise in connection with this Agreement, Seller shall notify SPARTON immediately, but in no event later than one (1) calendar day after becoming aware of such conflict of interest.

c) SPARTON, at its sole discretion and on a case-by-case basis, will determine whether a conflict of interest exists or is likely to arise. If SPARTON determines that an actual, potential, or perceived conflict of interest exists, it may impose on Seller appropriate constraints to neutralize or mitigate that conflict of interest, up to and including, termination of this Agreement.

d) The term Seller as used in this Article shall mean: (1) the organization entering into this Agreement with SPARTON; (2) all business organizations with which Seller may merge, join, or affiliate, now or in the future and in any manner whatsoever, or which hold or may obtain, by purchase, merger, or otherwise, direct or indirect control of Seller; (3) Seller’s parent organization, if any, and any of its present or future subsidiaries, associates, affiliates, or holding companies, and; (4) any organization or enterprise over which Seller has direct or indirect control, now or in the future.

e) In connection with a particular constraint, Seller may submit a proposal to SPARTON for the purpose of indicating potential measures to avoid or mitigate a conflict. SPARTON, at its sole discretion, may accept or reject Seller’s proposal.

F. DFARS FLOWDOWN CLAUSES

Note: If the respective PO or Subcontract identifies this as non-Department of Defense, then the following clauses do not apply:

1. The following additional clauses apply to this Contract as defined by the respective DFARS clause (for Commercial and Non-Commercial Items):

252.204-7000 DISCLOSURE OF INFORMATION (AUG 2013)
252.229-7011 REPORTING OF FOREIGN TAXES – U.S. ASSISTANCE PROGRAMS (SEP 2005)

252.231-7000 SUPPLEMENTAL COST PRINCIPLES (DEC 1991)

252.235-7003 FREQUENCY AUTHORIZATION (DEC 1991)

252.237-7019 TRAINING FOR CONTRACTOR PERSONNEL INTERACTING WITH DETAINEES (SEP 2006)

252.239-7016 TELECOMMUNICATIONS SECURITY EQUIPMENT, DEVICES, TECHNIQUES, AND SERVICES (DEC 1991)

252.239-7017 NOTICE OF SUPPLY CHAIN RISK (NOV 2013)

252.239-7018 SUPPLY CHAIN RISK (NOV 2013)

252.243-7001 PRICING OF CONTRACT MODIFICATIONS (DEC 1991)

252.244-7000 SUBCONTRACTS FOR COMMERCIAL ITEMS AND COMMERCIAL COMPONENTS (DoD CONTRACTS) (JUN 2012)

252.245-7004 REPORTING, REUTILIZATION, AND DISPOSAL (MAY 2013)

252.246-7001 WARRANTY OF DATA (DEC 1991) ALTERNATE II (DEC 1991)

252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAY 2002) (Applicable in lieu of FAR 52.247-64 in all Contracts for ocean transportation of supplies. In the first sentence of paragraph (g), insert a period after “Contractor” and delete the balance of the sentence. Paragraph (f) and (g) shall not apply if this Contract is at or below $150,000.)

252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION (OCT 2010)

3. The following additional clauses apply to this Contract as defined by the respective DFARS clause if the value of this Contract equals or exceeds $1,500,000 (for Commercial and Non-Commercial Items):

252.225-7023 RESTRICTION ON ACQUISITION OF FORGINGS (DEC 2009)

252.225-7030 RESTRICTION ON ACQUISITION OF CARBON, ALLOY, AND ARMOR STEEL PLATE (DEC 2006)

252.225-7031 SECONDARY ARAB BOYCOTT OF ISRAEL (JUN 2005)

252.225-7032 WAIVER OF UNITED KINGDOM LEVIES EVALUATION OF OFFERS (APR 2003)

252.225-7033 WAIVER OF UNITED KINGDOM LEVIES (APR 2003)


252.225-7043 ANTI-TERRORISM/ FORCE PROTECTION FOR DEFENSE CONTRACTORS OUTSIDE THE UNITED STATES (MAR 2006)


252.229-7011 REPORTING OF FOREIGN TAXES – U.S. ASSISTANCE PROGRAMS (SEP 2005)

252.229-7018 SUPPLY CHAIN RISK (NOV 2013)

252.244-7001 CONTRACTOR PURCHASING SYSTEM ADMINISTRATION (JUN 2012)

252.247-7023 TRANSPORTATION OF SUPPLIES BY SEA (MAY 2002) (Applicable in lieu of FAR 52.247-64 in all Contracts for ocean transportation of supplies. In the first sentence of paragraph (g), insert a period after “Contractor” and delete the balance of the sentence. Paragraph (f) and (g) shall not apply if this Contract is at or below $150,000.)

252.249-7002 NOTIFICATION OF ANTICIPATED CONTRACT TERMINATION OR REDUCTION (OCT 2010)

3. The following additional clauses apply to this Contract as defined by the respective DFARS clause if the value of this Contract equals or exceeds $1,500,000 (for Commercial and Non-Commercial Items):

252.211-7000 ACQUISITION STREAMLINING (OCT 2010)

4. The following additional clauses apply to this Contract as defined by the respective FAR clause if the Contract equals or exceeds $5,000,000 and is for a Non-Commercial Item:

252.203-7004 DISPLAY OF FRAUD HOTLINE POSTER(S) (DEC 2012)

5. The following additional clauses apply to this Contract as defined by the respective DFARS clause if the Contract is for a Non-Commercial Item:

252.215-7000 PRICING ADJUSTMENTS (DEC 1991)

252.215-7002 COST ESTIMATING SYSTEM REQUIREMENTS (FEB 2012)

252.222-7000 RESTRICTIONS ON EMPLOYMENT OF PERSONNEL (MAR 2000)

252.227-7013 RIGHTS IN TECHNICAL DATA - NON-COMMERCIAL ITEMS (JUN 2013) (Applicable in lieu of FAR 52.227-14)

252.225-7040 CONTRACTOR PERSONNEL AUTHORIZED TO ACCOMPANY U.S. ARMED FORCES DEPLOYED OUTSIDE THE UNITED STATES (FEB 2013).

252.227-7014 RIGHTS IN NON-COMMERCIAL COMPUTER SOFTWARE AND NON-COMMERCIAL COMPUTER SOFTWARE DOCUMENTATION (MAY 2013)

252.227-7016 RIGHTS IN BID OR PROPOSAL INFORMATION (JAN 2011)

252.227-7018 RIGHTS IN NONCOMMERCIAL TECHNICAL DATA AND COMPUTER SOFTWARE-SMALL BUSINESS INNOVATION REASEARCH (SBIR) PROGRAM (MAY 2013)

252.227-7019 VALIDATION OF ASSERTED RESTRICTIONS - COMPUTER SOFTWARE (SEP 2011)

252.227-7025 LIMITATIONS ON THE USE OR DISCLOSURE OF GOVERNMENT-FURNISHED INFORMATION MARKED WITH RESTRICTIVE LEGENDS (MAY 2013)

252.227-7026 DEFERRED DELIVERY OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988)

252.227-7027 DEFERRED ORDERING OF TECHNICAL DATA OR COMPUTER SOFTWARE (APR 1988)

252.227-7028 TECHNICAL DATA OR COMPUTER SOFTWARE PREVIOUSLY DELIVERED TO THE GOVERNMENT (JUN 1995) (In this clause, the term “contract” and “subcontract” shall not change in meaning.)

252.227-7030 TECHNICAL DATA - WITHHOLDING OF PAYMENT (MAR 2000)
6. The following additional clauses apply to this Contract as defined by the respective DFARS clause if the Contract equals or exceeds $150,000 and is for a Non-Commercial Item:

252.203-7001 PROHIBITION ON PERSONS CONVICTED OF FRAUD OR OTHER DEFENSE CONTRACT-RELATED FELONIES (DEC 2008) (In this clause, the terms “contract,” “contractor,” and “subcontract” shall not change in meaning in paragraphs (a) thru (d).)

7. The following additional clauses apply to this Contract as defined by the respective DFARS clause if the Contract equals or exceeds $650,000 and is for a Non-Commercial Item:

252.225-7006 QUARTERLY REPORTING OF ACTUAL CONTRACT PERFORMANCE OUTSIDE THE UNITED STATES (OCT 2010)

8. The following additional clauses apply to this Contract as defined by the respective DFARS clause if the Contract equals or exceeds $1,000,000 and is for a Non-Commercial Item:

252.222-7006 RESTRICTIONS ON THE USE OF MANDATORY ARBITRATION AGREEMENTS (DEC 2010)

9. The following additional clauses apply to this as defined by the respective DFARS clause if the Contract is for a Commercial Item:

252.227-7015 TECHNICAL DATA - COMMERCIAL ITEMS (JUN 2013)

10. The following additional clauses apply to this Contract as defined by the respective DFARS clause if the Contract is Cost Type, Incentive or T&M:

252.234-7002 EARNED VALUE MANAGEMENT SYSTEM (MAY 2011)

252.242-7004 MATERIAL MANAGEMENT AND ACCOUNTING SYSTEM (MAY 2011)

252.242-7006 ACCOUNTING SYSTEM ADMINISTRATION (FEB 2012)